

**IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD
(Special Original Jurisdiction)**

**MONDAY, THE SIXTEENTH DAY OF MARCH
TWO THOUSAND AND TWENTY SIX**

PRESENT

THE HONOURABLE SRI JUSTICE SUDDALA CHALAPATHI RAO

WRIT PETITION NO: 34849 OF 2011

Between:

1. M/s. Ramky Estates & Farms Ltd., Office at Plot No.23, Rohini Layout, Opp to Cyber Towers, Hyderabad.
2. M/s. Ramky Integrated Township Ltd., Office at Plot No.23, Rohini Layout, Opp. to Cyber Towers, Hyderabad.

Both petitioners are represented by CEO of the 2nd petitioner Mr. Ashish Mathur.

...PETITIONERS

AND

1. Hyderabad Metropolitan Development Authority, rep by its Metropolitan Commissioner, HMDA Complex, Tarnaka, Hyderabad.
2. Government of Andhra Pradesh, Municipal Administration and Urban Development Department, rep by its Principal Secretary, Secretariat Buildings, Hyderabad.

...RESPONDENTS

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed therewith, the High Court may be pleased to issue a Writ, order or direction, one more particularly in the nature of a Writ of Mandamus

- i. declaring the action of the respondents in issuing proceedings dated 20.10.2011 purporting to cancel the master plan sanctioned to the petitioner in respect of the Integrated Township at Srinagar Village called "Discovery City" as illegal, arbitrary, unconstitutional and without jurisdiction and set aside the same

- ii. Permit the petitioners to continue with the development of the said project in accordance with the revised master plan issued to the petitioners on 06.08.2011 and in accordance with the development agreement dated 28.01.2008 between the Petitioners and the Respondent.

I.A. NO: 1 OF 2011(WPMP. NO: 43339 OF 2011)

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to suspend the operation of the proceedings dated 20.10.2011 and process the petitioner applications in accordance with the Master Plan approved on 06.08.2011, pending disposal of the writ petition.

**Counsel for the Petitioner: SRI S.NIRANJAN REDDY, Sr. COUNSEL, REP.
SRI RUBAINA S.KHATOON**

**Counsel for the Respondent No.1: SRI V.SIDDHARTHA GOUD, REP.
SRI V.NARASIMHA GOUD, SC FOR HMDA**

Counsel for the Respondent No.2: GP FOR MCPL ADMN & URBAN DEV

The Court made the following: ORDER

IN THE HIGH COURT FOR THE STATE OF TELANGANA AT
HYDERABAD

HON'BLE SRI JUSTICE SUDDALA CHALAPATHI RAO

WRIT PETITION NO.34849 OF 2011

DATE: 16.03.2026

Between:

M/s.Ramky Estates & Farms Ltd.,
Office at Plot No.23, Rohini Layout,
Opp. to Cyber Towers Hyderabad
and another.

.... Petitioners

and

Hyderabad Metropolitan Development Authority,
Rep.by its Metropolitan Commissioner, Tarnaka,
Hyderabad and another.

.... Respondents

ORDER:

The instant writ petition has been filed, declaring the action of the respondents in issuing proceedings dated 20.10.2011, purporting to cancel the master plan sanctioned to the petitioner in respect of the Integrated Township at Srinagar Village, called 'DISCOVERY CITY', as illegal, arbitrary, unconstitutional and without jurisdiction and set aside the same, and consequentially permit the petitioners to continue with the development of said project in accordance with the revised master plan issued on 06.08.2011 in accordance with the development agreement dated 28.01.2008 and pass such other order, or orders as deemed fit and proper in the circumstances of the case.

2. The brief facts of the case are that, the 1st petitioner is a company involved in the development of real estate projects, and the 2nd petitioner herein is a Special Purpose Vehicle (SPV) Company incorporated for the purpose of development of the integrated township project, titled as 'Discovery City', as a joint venture with the Hyderabad Metropolitan Development Authority (now HMDA). It is stated that the then Government of A.P., in order to decongest the city and its surrounding Municipalities, and to meet the growing needs of residential, commercial and office space with better infrastructure facilities through the development of integrated townships, has proposed to develop integrated township in the vicinity the Hyderabad Outer Ring Road, and appointed the then Hyderabad Urban Development Authority (HUDA) as a Nodal Agency, which had identified suitable locations for the proposed townships, including the present place of Srinagar village.

3. It is also stated that, the petitioner No.1 prior to the Government's proposal has independently approached various land owners in the said village for acquiring the said lands, which are close to the Outer Ring Road, and accordingly entered General Power of Attorney's with the various land owners in Sy.Nos.151, 153

to 155, 217, 218, 221 to 235 of Srinagar Village, and Sy.No.54 of Imamguda village, Maheshwaram Mandal, Ranga Reddy District, totally admeasuring to an extent of Acs.374.24 guntas, which are under the urban land limits.

4. Further, the petitioners alleged to have submitted a proposal to the HUDA on 06.12.2006 proposing to undertake the development of township under joint venture model by resolving the pending litigation. The Hyderabad Urban Development Authority has issued an advertisement in the newspapers, inviting Expression of Interest-cum-Request for proposal for submission of the Competing Counter Proposal from the eligible and competent developers for development of the project under Swiss Challenge Approach under the provisions of A.P. Infrastructure Development Enabling Act, 2001.

5. Further, it is stated that the Request For Proposal (RFP) documents covered all the details of the development of the township indicating an extent of 5% of the township to be set apart for Economically Weaker Section (EWS) Housing and the guidelines further provide for utilization of the said land, for different purposes along with 37.5% of the total land for residential purpose including

5% for EWS, by the HUDA, and after due process of evaluation of the proposals and due deliberations, the petitioners were selected as successful bidders. Pursuant to which, Letter of Intent, dated 12.11.2007 was issued. Thereafter, HUDA forwarded the same to the Government for consideration, and for approval for Joint Development Model, *vide* letter dated 21.02.2007. The Government after consideration forwarded the said proposal to the Andhra Pradesh Infrastructure Development Authority *vide* G.O.Rt.No.93 dated 16.05.2007. Pursuant to which, the authority, in its meeting held on 25.06.2007, examined the proposal and recommended to take up the project under Joint Development Model as per the revised Memorandum of Understanding (MoU) *vide* Memo No.IA-HUDA/SN/GRTS/2007-01, dated 25.06.2007, and the Memo No.IA/HUDA/SN/GRTS/2007-02, dated 30.06.2007.

6. Further, after Cabinet approval, the Government accorded approval *vide* G.O.Ms.No.8, dated 09.08.2007 and in pursuance of it, a MoU was executed between the then Government of Andhra Pradesh, HUDA, and the petitioners representing the respective landowners to an extent of Ac.374.24 guntas on 10.08.2007 and a joint development agreement has been executed on 28.01.2008,

enunciating the conditions agreed upon between the respective parties.

7. It is contended that as per Clause-2.1 of the said development agreement, dated 28.01.2008, the petitioners have to develop an integrated township with comprehensive residential, commercial, service, institutional, recreational/entertainment components, to conceptualize, design, (including master plan), develop, finance, construct, implement, own and market, operate, and maintain the said project, and the total land use was clearly demarcated under Clause-D4 of the Annexure-VI, appended to the Development Agreement to be utilized towards residential use of 37.5% including 5% developed land towards EWS. In furtherance of the said agreement, the petitioners initially submitted the DPR/Master Plan for Phase-1 on 16.09.2008, duly earmarking 5% of land for EWS and vide its letter dated 01.07.2009, the respondent No.1 has approved the Master Plan on condition that the petitioners will hand over 5% of the land to the 1st respondent and earmark 5% for the EWS.

8. In the meanwhile, the respondent No.1-Government has issued G.O.Ms.No.527, dated 31.07.2008, wherein only 3% of land is to be handed over to HUDA, with an option of paying 1.5 times the basic

value of such land in lieu of the land to be given to HUDA, and in pursuance of the said G.O., the petitioners addressed a letter to the respondent No.1 on 10.02.2010 to avail the benefits of the said G.O.

As no response was received from the 1st respondent, the petitioners alleged to have requested for early approval of the revised master plan by a letter dated 07.01.2011, and thereafter, after due deliberations, the petitioner's proposal for adoption of the provisions of G.O.Ms.No.527 was accepted. Referring to all the developments, and by virtue of the said letter dated 01.07.2011, the petitioners resubmitted the Master Plan by incorporating the provisions of G.O.Ms.No.527, dated 31.07.2008, and subsequently, the 1st respondent granted the approval for revised master plan by its letter dated 06.08.2011, accepting the condition that the petitioners shall provide a 5% of total units for EWS/LIG, and along with the conditions stipulated in the G.O.Ms.No.527 dated 31.07.2008 and the petitioners addressed a letter dated 17.08.2011 earmarking the area required for construction of EWS/LIG, and 5% area to be handed over to the 1st respondent, and by accepting to pay 1.50 times the basic value of the land in lieu of 5% to be handed over HUDA to be paid within one year.

9. While matter stood thus, the 1st respondent issued a letter dated 20.10.2011, by directing the petitioners to modify the master plan by indicating EWS/LIG to be 20% of the developed land in pursuance of the G.O.Ms.No.45, dated 28.01.2011, purporting to withdraw the master plan approved on 06.08.2011, and the said letter is impugned in the present instant writ petition.

10. The learned Senior Counsel Mr. S.Niranjan Reddy contended that, imposing of 20% of the developed area to be used for EWS/LIG housing out of the 37.5% of the land for residential purpose is arbitrary, capricious and that the previous Government issued G.O., *vide* G.O.Ms.No.527 dated 31.07.2008 which clearly stipulated the condition of 3% of land to be handed over to HUDA with an option of 1.5 times the basic value of such land to be given to the HUDA and approved the master plan on 01.07.2009 for allotting and earmarking 5% to EWS/LIG and 5% of land to be given to HUDA (now HMDA). However, through the impugned letter directing the petitioners to develop 20% of the land for EWS/LIG is onerous and makes the project unviable and the said letter is issued in pursuance of the G.O.Ms.No.45, dated 28.01.2011, which is subsequent to release of the master plan dated 01.07.2009, and therefore, the same cannot be

applied to the petitioner. Thus, contended that the impugned letter purporting to cancel the master plan dated 01.07.2009 sanctioned to the petitioners in respect of the integrated township at Srinagar village, Maheshwaram Mandal, Ranga Reddy District is arbitrary and the 1st respondent-Commissioner has no authority to issue the impugned letter contrary to the directions of the Government.

11. The learned counsel Mr. V.Siddhartha Goud representing the learned Standing Counsel Mr. V.Narsimha Goud for HMDA, would assert the facts stated in the counter-affidavit and contends that the petitioners have not disclosed the total facts in the present writ petition and that the Government of India, under the Rajiv Awas Yojana (RAY) Scheme for creation of slum-free cities, mandated States to earmark at least 20% to 25% of developed land in all housing projects, both public and private, and for EWS/LIG categories under a system of cross-subsidization and accordingly G.O.Ms.No.45, dated 28.01.2011 was issued and the petitioners herein having entered the MoU to follow the Government Orders from time to time, are bound to follow the said G.O.Ms.No.45 dated 28.01.2011.

12. It is also stated that the State Government, after careful consideration of RAY guidelines, departmental recommendations, and in furtherance of inclusive housing policy, issued G.O.Ms.No.45, dated 28.01.2011, prescribing that in all housing projects, the developer shall provide at least 20% of the development land for EWS/LIG housing. It is also stated that even in the Joint Development Agreement dated 28.01.2008, clause-7, which reads that 'Special reservation of spaces to be followed as per HADA norms (5% to HADA for disposal, and 5% for EWS, which shall be as per the guidelines issued by HUDA/ HADA from time to time). Thus, it is contended that the petitioners are contractually bound to comply with all guidelines issued from time to time, including G.O.Ms.No.45 dated 28.01.2011.

13. It is also contended that the Government *vide* letter No.6430/M1/2010, dated 21.09.2011, clarified that G.O.Ms.No.45, dated 28.01.2011, applies to HADA area as well as ORR growth corridor now falling under the jurisdiction of HMDA. Consequently, HMDA issue letter No.1689/ Z/HMDA/ORR/ST/2010, dated 12.12.2011, directing the petitioners to revise their master plan proposals accordingly. In that context of the matter, it is contended

that the subsequent G.O.Ms.No.45, dated 28.01.2011, binds the petitioners even as per their own mutual understanding, development agreement dated 28.01.2008, and all the Government Orders issued from time to time are applicable to them.

14. The learned Standing Counsel placed reliance on the decisions of the Hon'ble Supreme Court, in the case of **Chennai Metropolitan Development Authority rep.by its Member Secretary vs. D.Rajan Dev and others¹**, and also **Assistant Excise Commissioner and others vs. ISSAC Peter and others²**.

15. In **Chennai Metropolitan Development Authority (supra)**, the Hon'ble Supreme Court held that the applicant does not acquire any right under law until his application is considered and sanctioned, and that Regulation 36 provides in the said case that the premium FSI (Floor Space Index) shall be allowed in specific areas only with the approval of the Government, and unless and until the Government grants the approval, no right is accrued to the 1st respondent therein.

¹ (2020) 2 SCC 483

² (1994) 4 SCC 104

16. Further, in **Assistant Excise Commissioner** (supra), the learned Standing Counsel drawn the attention of this Court to the judgment of the Hon'ble Supreme Court at paragraph-14, wherein the Hon'ble Supreme Court held that,

"14..... It is, therefore, not really necessary for our purpose to examine what precisely was the statement made by the Minister for Excise on March 19, 1981, or by the Auctioning Authorities at the time of auction. Even according to the licensee, the Minister merely stated that steps will be taken in the coming days to supply requisite quantities....."

17. The learned counsel for HMDA contended that in the present case also, the petitioners are governed by all the subsequent Government Orders issued from time to time as per their own joint development agreement dated 28.01.2008, and in that view of the matter, the learned counsel contends that the writ petition is devoid of merits, and is liable to be dismissed.

18. The learned Senior Counsel Mr. S.Niranjan Reddy appearing for the petitioners, brings to the notice of this Court the rejoinder filed, wherein it is stated that as per the joint development agreement, dated 28.01.2008, the respondents agreed that the petitioners are required to only retain 5% of the land for EWS usage

and to give 5% to HUDA, and thus, the respondent No.1 is estopped from reneging on its unequivocal promise/agreement to the petitioners' detriment to their interest, and the learned Senior Counsel has also produced a Government Order issued by the then Government *vide* G.O.Ms.No.245 Municipal Administration & Urban Development (M1) Department, dated 30.06.2012, the Government after proper appreciation of the factual issues under the RAY Scheme, the G.O.Ms.No.45 dated 28.01.2011 was carefully examined by the Government, and that the condition No.7 of the said G.O., reads as under:

"7. In the meanwhile, by adopting the amendment provisions of G.O., i.e., G.O.Ms.No.45 dated 28.01.2011, the Government have issued Andhra Pradesh Building Rules, 2012 to the entire State superseding the earlier orders including the G.O., 4th read above, and that in the light of the above circumstances, and after careful examination of the matter, after studying the similar provisions in other States, so as to provide affordable housing stock of EWS/LIG housing, to mobilize additional financial resources for redevelopment/improvement/rehabilitation of slums under RAY, and to facilitate all types of housing activity across the State, the following notification was issued.

In the said Rule 11, the following shall be substituted namely;

"R.11. Provisions for Economically Weaker Section (EWS/ Low Income Group (LIG), Housing category;

Condition No.1, wherein in all Group Housing and Group Development Scheme Projects, whose land extent is more than 5 acres (2.023 Hectares), the Developer/Builder shall provide 10% of the total built up area towards the EWS/LIG units (5% for EWS units and 5% for LIG units) or 25% of the total number of units of the housing projects towards EWS/LIG units (12.5% for EWS units and 12.5% of LIG units). The option is given to the builder/developer to provide either 10% of the total built up area or 25% of total number of units. Maximum plinth area of each EWS unit as 25 sq.meters, and maximum plinth area of each LIG units as 50 sq.meters and such other conditions prescribed in G.O.Ms.No.245 dated 30.06.2011."

19. Learned Senior Counsel basing on the said G.O., has contended that G.O.Ms.No.45 dated 28.01.2011 has been superseded by the G.O.Ms.No.245 dated 30.06.2011, by substituting the condition No.11, and in that view of the matter, learned Senior Counsel states that initial conditions which are so entered between the petitioners and the respondents hold good in view of G.O.Ms.No.245 dated 30.06.2011.

20. Heard learned Senior Counsel Mr. S.Niranjana Reddy, representing Mr. Rubaina S.Khatoun, learned counsel for petitioners on record, and Mr. V.Siddharth Goud, learned counsel representing Mr. V.Narsimha Goud, learned Standing Counsel for HMDA for



respondents, and having given earnest consideration to their submissions, this Court perused the material on record.

21. The only points which fall for consideration before this Court are,

“Whether the G.O.Ms.No.45, dated 28.01.2011 is binding on the petitioners and whether it empowers the respondents to direct the petitioners to modify the master plan dated 01.07.2009 by indicating EWS/LIG at 20% of the developed land and the consequent notice in proposing to withdraw the said master plan in the event if the petitioners do not abide by the said conditions vide the letter dated 20.10.2011, is valid and sustainable in law?

22. Evidently, the request proposal of the petitioners for grant of joint development *vide* agreement dated 28.01.2008 clearly indicates that an extent of 5% of the land in the township would be set apart for EWS/LIG Housing and the development guidelines further provides for utilization of land for different purpose and a total of 37.5% for residential purposes including 5% for EWS/LIG. Further, subsequently, the Government after examining the said proposal forwarded same to the Andhra Pradesh Infrastructure Development Authority (APIDA) *vide* G.O.Rt.No.93 dated 16.05.2007 and

accordingly, the APIDA in its meeting held on 25.06.2007 examined the proposal and recommended to take up the project under Joint Development Model as per the revised MoU as approved by its Memo dated 25.06.2007 and 30.06.2007. The then Government accorded approval of the said proposal vide G.O.Ms.No.8 dated 09.08.2007. Thereafter a MoU was executed between the Government of Andhra Pradesh, HUDA, and the petitioners representing the individual landowners for Acs.374.24 guntas on 10.08.2007 and a Development Agreement has been executed on 28.01.2008 and that subsequently, G.O.Ms.No.527 dated 31.07.2008 has been issued by the Government and the petitioners have addressed a letter dated 10.02.2010 to avail the benefits under the said G.O.Ms.No.527 stipulating that only 3% of the land would be sufficient to hand over to HUDA with an option to pay 1.5 times the basic value of such land in lieu of such land to be given to HUDA. Further, the matter was pending consideration with the 1st respondent for considerable time and the said proposal of the petitioners was accepted by the respondent No.1, a letter dated 01.07.2011 was addressed by the petitioners resubmitting the master plan by incorporating the provisions of G.O.Ms.No.527, dated 31.07.2008, and on further



deliberations, the 1st respondent granted the approval for the revised master plan by its letter dated 06.08.2011 *inter alia* admitting that the petitioners shall provide for demarcation of 5% of total units for EWS/LIG and the petitioners proposal to avail the benefits under G.O.Ms.No.527 dated 31.07.2008 was accepted by the respondent No.1 earmarking the area required for construction of EWS and LIG and 5% to be handed over to the 1st respondent and 1.5 times the basic value to be paid within one year *vide* letter of the 1st respondent dated 06.08.2011.

23. Now, when the things were moving smoothly in furtherance of the object, *vide* the impugned letter dated 20.10.2011, the respondent No.1 directed the petitioners to modify the master plan by indicating EWS/LIG at 20% of the developed land in pursuance of G.O.Ms.No.45 dated 28.01.2011. Apparently, in the facts and circumstances, as the very joint development agreement was entered between the petitioners and the respondents on 28.01.2008 and in pursuance of the G.O.Ms.No.8 dated 09.08.2007 and MoU dated 10.08.2007 was entered and the joint development agreement was also executed and master plan was released on 01.07.2009 and now by the impugned letter, directing the petitioners to follow with the

G.O.Ms.No.45 dated 28.01.2011, which is issued much later to the approval of the master plan, is *ex facie* illegal, arbitrary, inasmuch as the G.O.Ms.No.45 fixing said 20% for EWS/LIG, cannot be forced on the petitioners and, even the Rule 11 of A.P. Building Rules, 2012 in G.O.Ms.No.45 has been already substituted by G.O.Ms.No.245 dated 30.06.2012. It is trite law that any Government Order substituting the rules is retrospective in nature and in that view of the matter, the condition No.11 envisaged in G.O.Ms.No.45 dated 20.01.2011 is already substituted by G.O.Ms.No.245, dated 30.06.2012, now that the Hon'ble Supreme Court in the case of **Zile Singh v. State of Haryana and others**³ and **Government of India and others v. Indian Tobacco Association**⁴, held that all the Government Orders, which are in substitution are retrospective in nature and all the additions would be prospective effect and G.O.Ms.No.245 dated 30.06.2012 has been issued substituting the Rule 11 of the of G.O.Ms.No.45 dated 28.01.2011.

24. In that view of the matter, even the G.O.Ms.No.245 dated 30.06.2012 will come to the rescue of the petitioners, inasmuch as the

³ (2004) 8 SCC 1

⁴ (2005) 7 SCC 396

contract was already completed by execution of joint development agreement between the petitioners. Pursuant to which, the master plan was issued on 01.07.2009. Initially, when the matter was listed before this Court on 02.01.2012, this Court suspended the condition No.11 in G.O.Ms.No.45, dated 28.01.2011 for providing at least 20% of the developed land for Economically Weaker Sections (EWS) and Low Income Groups (LIG) vide orders in WPMP No.4339 of 2011, dated 10.02.2012. In the above facts and circumstances, the submissions of the learned Standing Counsel for HMDA that as per the MoU, all the Government Orders issued from time to time are applicable and the petitioners are bound to follow G.O.Ms.No.45 dated 28.01.2011, are untenable and the judgments cited by the counsel for HMDA are distinguishable on facts and are not applicable to the present facts on hand.

25. In the light of the said findings, the impugned letter dated 20.10.2011 in directing to provide 20% of the developed area for EWS and purporting to cancel the master plan sanctioned to the petitioners in respect of the Integrated Township at Srinagar Village, called 'Discovery City', Maheshwaram Mandal, Ranga Reddy District, is *ex facie* illegal, untenable, violative and liable to be set

aside and the point framed by this Court is answered in favour of the petitioners and the respondents do not have any authority to issue the impugned letter dated 20.10.2011, and the impugned letter is invalid and liable to be quashed.

26. In view of the above stated findings, the impugned letter dated 20.10.2011 is declared as *ex facie* illegal, arbitrary and invalid, and hereby set aside and quashed. Further, the respondent No.1 authorities are directed to allow the petitioners to continue with the conditions envisaged in the joint development agreement and as per original master plan dated 01.07.2009 and subsequent revised master plan dated 06.08.2011 or subsequent mutual acceptances without insisting for onerous conditions.

27. The Writ petition is accordingly allowed. There shall be no order as to costs.

Pending miscellaneous applications if any shall stand closed.

That Rule Nisi has made Absolute as above witness
The Hon'ble SRI APARESH KUMAR SINGH, The Chief Justice on this Monday,
the Sixteenth Day of March, Two Thousand and Twenty Six.

SD/- S. MALLIKARJUNA RAO
ASSISTANT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

1. The Metropolitan Commissioner, HMDA Complex, Tarnaka, Hyderabad.
2. The Principal Secretary, Municipal Administration and Urban Development Dept., Secretariat Buildings, Hyderabad.

3. One CC to SRI RUBAINA S.KHATOON, Advocate [OPUC]
4. One CC to SRI V.NARASIMHA GOUD, SC FOR HMDA [OPUC]
5. Two CCs to GP FOR MCPL ADMN & URBAN DEV, High Court for the State of Telangana at Hyderabad [OUT]
6. Two CD Copies

BSR

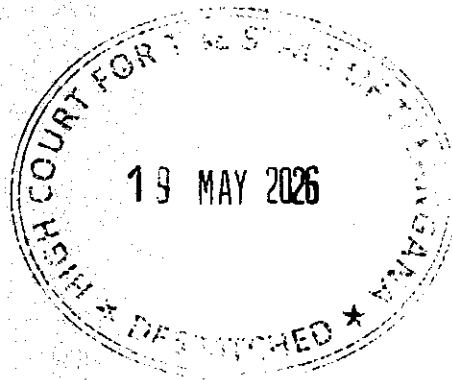
GJP

HIGH COURT

DATED: 16/03/2026

ORDER

WP.No.34849 of 2011



**ALLOWING THE WRIT PETITION,
WITHOUT COSTS**

⑨ MT
27/4/26